

# **New Learnings for an Old Economy and Old Learnings for a New Business**

**Bo Ewald  
President & CEO  
E-Stamp Corporation**

**April 26, 2000  
Launch NM.com  
Santa Fe, NM**



# Topics



- ◆ Business and people drivers
- ◆ Some Observations
- ◆ Fads
- ◆ Darwinisim @ Internet Speed
- ◆ IPO Time

# Business & People



- ◆ Knowledge economy makes people #1
  - Unemployment at 4% is lowest since 1970
  - 111 metro areas unemployment less than 3%
  - 65% of population over 16 have a job--all-time record
  - African-American unemployment 7.9%--lowest since 1972
  - Hispanic unemployment 5.9%--lowest since 1973

# Quote of the Day



*“Old economy companies are all about physical assets--oil matters because you’ve got a lot of trucks, and interest rates matter because you’ve got big plants and buildings. We’re in the business of delivering intellectual property: oil and interest rates aren’t on the radar screen.”*

*--Don Listwin, EVP*

*Cisco Systems, Inc.*

(April 21 market cap \$450 billion)

# Productivity Drives the New Economy



- ◆ US productivity growth averaged +1.4% -- 1974 - 1995
- ◆ 1995 - 1999: average +2.6% -- 2.9%
- ◆ 1999 +5% 3rd/4th quarters
- ◆ 1999 manufacturing productivity +6.4%; best since 1971
- ◆ 4th quarter manufacturing productivity; +10.7%!
- ◆ Economy-wide: productivity up 5% in 4th quarter

# Productivity Drives the New Economy



Productivity is the engine of new economy

New economy is about speed

Full throttle - 24/7 always beats 9 - 5

Big fish eats the little fish  
or?

Fast fish eats the slow fish

“Creative Destruction”

Companies & people must reinvent themselves

# Strategic Partners and Investors



**Microsoft**

**ebay**



**Intuit**



**Deutsche Telekom**

**@Work**  
Business Internetworking

**Deutsche Post**



**YAHOO!**

**COMPAQ**



e-stamp

# Some Observations



- ◆ VC's Look for
  - Good idea
  - Good people
  - Return for their portfolio
- ◆ Wall Street Looks for
  - Good idea
  - Good people
  - Scalability
  - Profitability
  - Predictability



# Internet Fads



- ◆ “The Internet won’t be used for business”
- ◆ B2C is Hot
- ◆ Amazon.com model
- ◆ B2B is Hot
- ◆ Next?

# Darwinism @ Internet Speed



- ◆ Idea
- ◆ People
- ◆ \$
  - Strategic Partners
  - Venture Capitalists
  - “Private Placement”
- ◆ More \$
  - Public Markets
- ◆ Sustainable Business
  - Scalable
  - Profitable
  - Predictable



**e-stamp**  
The Internet Postage Company®